

United States Senate

WASHINGTON, DC 20510

October 10, 2019

Mr. K.C. Crosthwaite
Chief Executive Officer
Juul Labs, Inc.
560 20th Street
San Francisco, California 94107

Dear Mr. K.C. Crosthwaite,

We write to express our concern with mandatory arbitration and class action waiver provisions in Juul Labs, Inc.'s (Juul) Terms and Conditions.¹ These anti-consumer provisions attempt to bar the courtroom doors and prevent consumers from seeking justice, just as an epidemic of e-cigarette addiction sweeps the nation and reports of vaping-related illnesses and deaths increase by the day. We ask that you immediately remove the anti-consumer arbitration and class action waiver provisions from Juul's Terms and Conditions.

Juul as a company holds great responsibility for addicting a new generation of young Americans to nicotine through enticing flavors, targeted marketing, and branding Juul as the new hot trend. Now your company has chosen, in the face of an onslaught of incoming litigation, to brazenly prevent Americans from having their day in court. These are nearly the same tactics that Big Tobacco used to evade civil liability for hooking generations of Americans on cigarettes. In light of the ongoing youth vaping epidemic caused in large part by Juul, the only decent course is to remove the mandatory arbitration and class action waiver provisions in your Terms and Conditions.

New data from the 2019 National Youth Risk Behavior Survey (YRBS) data shows that just over 25 percent of high school students have used an e-cigarette in the past 30 days.² The device of choice among these adolescents is Juul. This is not a coincidence. Juul designed its product to be sleek and discreet, with compelling flavors like cool cucumber, mango, and mint, among others that appeal to underage youth. Juul then marketed its products with attractive young people as models and spokespersons, and teens became addicted. A single Juul pod contains at least as much nicotine as a full pack of cigarettes.³

¹ JUUL Labs, Inc., *Terms and Conditions*, (San Francisco, CA, 2019), 15, <https://www.juul.com/terms-and-conditions> (accessed October 9, 2019).

² U.S. Food and Drug Administration, "Trump Administration Combating Epidemic of Youth E-Cigarette Use with Plan to Clear Market of Unauthorized, Non-Tobacco-Flavored E-Cigarette Products," <https://www.fda.gov/news-events/press-announcements/trump-administration-combating-epidemic-youth-e-cigarette-use-plan-clear-market-unauthorized-non> (October 9, 2019).

³ U.S. Centers for Disease Control and Prevention, "Quick Facts on the Risks of E-cigarettes for Kids, Teens, and Young Adults," https://www.cdc.gov/tobacco/basic_information/e-cigarettes/Quick-Facts-on-the-Risks-of-E-cigarettes-for-Kids-Teens-and-Young-Adults.html#what-is-juul (October 9, 2019).

Juul products are contributing to serious health consequences experienced by users. Juul pods have been shown to contain unlisted chemicals, including acetals, which can irritate users' lungs.⁴ In addition, in April, new data revealed a possible link between e-cigarette use and seizures.⁵ Now in the midst of a rapidly escalating outbreak of vaping-related illnesses, which have resulted in permanent lung damage, and in some cases, death, families are seeking to hold Juul accountable. Consumers in multiple states have filed class action lawsuits against Juul for deceptively marketing its products to minors.⁶ In response, Juul has attempted to limit its liability by forcing these consumers into mandatory arbitration.

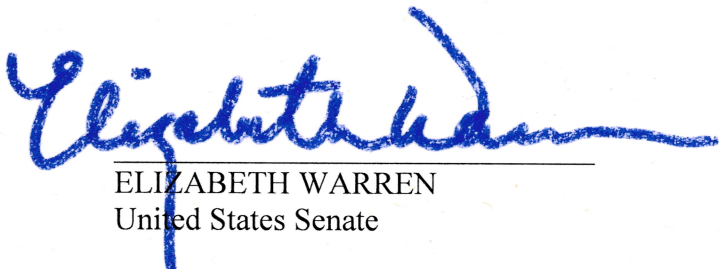
The use of forced arbitration provisions is unfair, unjust, and un-American. A foundational pillar of our democratic society is the assurance that everyone – regardless of who they are, where they come from, or how much money they make – is entitled to their day in court. Forced arbitration provisions like Juul's require consumers to give up their right to seek justice in a court of law. Additionally, the class action waiver in Juul's Terms and Conditions strips consumers of their ability to band together to collectively hold powerful corporations accountable for wrongdoing.

Please explain your choice to include a forced arbitration clause in your Terms and Conditions, and your plans to remove this provision by October 24, 2019. We look forward to hearing from you.

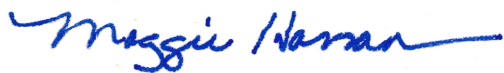
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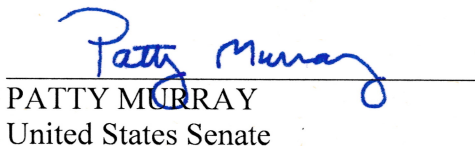
RICHARD BLUMENTHAL
United States Senate



ELIZABETH WARREN
United States Senate



MARGARET WOOD HASSAN
United States Senate



PATTY MURRAY
United States Senate

⁴ William Weir, "Juul users inhaling chemicals not listed," *Yale News*, July 30, 2019, <https://news.yale.edu/2019/07/30/juul-users-inhaling-chemicals-not-listed>.

⁵ U.S. Food and Drug Administration, "Some E-cigarette Users Are Having Seizures, Most Reports Involving Youth and Young Adults," <https://www.fda.gov/tobacco-products/ctp-newsroom/some-e-cigarette-users-are-having-seizures-most-reports-involving-youth-and-young-adults> (October 9, 2019).

⁶ University of California San Francisco Center for Tobacco Control Research and Education, *Document 1*, Case 8:19-cv-00884 (Florida, 2019), 38, <https://tobacco.ucsf.edu/sites/tobacco.ucsf.edu/files/wysiwyg/Juul%20lawsuit%20-%20Florida%20April%202019.pdf> (October 9, 2019).

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Jack Reed

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Patrick Leahy

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Edward J. Markey

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